

**Lebanon Board of Finance
Minutes of March 21, 2015
Special Meeting**

Members Present: David Scata (Chairman), Liz Charron (Vice Chairman), Greg Lafontaine, Betsy Petrie, Meghan Bruce

Alternates Present: Kevin Cwikla, Diane Malozzi, Ed Tytor

Members Absent: Phil Johnson

Public Audience: 0

Others in Attendance:

- Joyce Okunuk, First Selectman
- Joyce Hoffman, Tax Collector
- Veronica Calvert, Finance Director

A. Call to Order

The meeting was called to order at 8:30 AM by David Scata. David asked that Liz Charron act as Chairman for the meeting. For the meeting, Ed Tytor to sit for Phil Johnson.

B. New Business

1. *Discuss and act on tax collector's request for over-expenditure for tax sale legal expenses in FY 2015.* Joyce Hoffman explained that she received bills from last year's tax sale. She explained that the fees owed are around \$23,000; she has funding currently available of approximately \$15,000 and is looking for authorization to over-expend and complete last year's sale. She did also mention that she is in process of coordinating with the Amston Lake Tax District on a tax sale for this year; she expects all proceeds and expenses this year as well. Betsy Petrie moved and Greg LaFontaine seconded a motion to authorize the over-expenditure of up to \$7,500 by the tax collector for payment on invoices for tax sale legal expenses in FY 2014-2015 with funds to come from contingency. Motion passes unanimously.
2. *Discuss tax collector's projected revenue for FY 2015-2016.* Discussion focused next on understanding the projected revenue for FY 2015-2016 as it relates to taxes. Questions were asked about a tax sale for FY 2015-2016 and understanding tax sale revenue versus payment of back taxes. No action required.
3. *Distribute 2014 final audit and act on final FY 2014 audit report invoice.* Liz explained that there was nothing of particular significance for the Board's immediate attention on the town audit and that further discussions would take place after the budget season.

An invoice of \$10,000 had been submitted by the town auditor for the remainder of the audit fees. Betsy Petrie moved and Ed Tylor seconded a motion to pay the invoice to Stephen Hopkins, Town Auditor, in the amount of \$10,000 for the remainder of the audit fees. Motion passes unanimously.

4. *Review Town Monthly Reports for Fiscal Year 2014-2015 Expenditures, Revenues, TIP/SIP, Contingency Balance and Fund Balance.* The associated reports were reviewed by the Board. Questions and discussion centered on accounts with significant percentages not disbursed to date. Discussion was also focused on the current contingency balance, especially considering the current over-expenditures around snow removal and committed over-expenditures, including \$7,000 from the legal account to represent the Board against a town resident in a FOI complaint. The Board also discussed the current levels of the town's fund balance.

5. *Discuss and act on school building project funds and the Fire Safety Complex Project Fund:*

- *The refund invoice from the state of CT for \$237,493*
- *The surplus in the LMS building project fund*
- *The deficit in the LES building project*
- *The surplus in the FSC fund*

The Board talked through the current balances of the various construction projects open as of 6/30/2014. Liz explained that the State reimbursed the town for expenses related to the LMS renovations after 6/30/2014, bringing the current surplus to \$255,604. The town auditor suggested that the Board take action on the projects now that they are complete; in addition, the town received an invoice from the State for over-payment of expenses related to the school building projects. Betsy Petrie moved and David Scata seconded a motion to request the Board of Selectman call a special town meeting for the purposes of authorizing payment of the invoice to the State of CT in the amount of \$237,493 with funds to come from the school construction account #100-00-300-2267 and to transfer \$567,121.73 from general fund balance to the school construction account #100-00-300-2267 for the purposes of closing out the school construction project. Motion passes unanimously.

6. *Discuss capital projects, bonding, and debt reduction.* The Board discussed the proposed capital plan for FY 2015-2016 and the following 3-5 years. Discussion was held around the major efforts from the DPW and the potential library project, including the potential of having to bond for \$4,700,000 to cover the \$1,000,000 from the HTA fund that is payable over a 5 year period. Brandon Handfield came and spoke to the DPW projects and provided the Board detailed plans of when funding needs to be secured and when projects will begin. Liz suggested that the Board meet with Dennis Dix, who has advised the Town in the past on bonding, as part of the budget generation process. No action taken.

7. *Discuss Town Budget, Special Funds, Revenue, BOE Budget, Capital Reserve & Nonrecurring Expenses 2015-2016, Develop Budget Proposal for the public hearing.* The Board continued discussions around the overall FY 2015-2016 budget. There was discussion of preparing several budgets, including depending if the library passes the town vote or not. Discussions was also centered on the potential of moving out the town public hearing given the challenges and complexities around the budget process. David took an action item to see if the Board of Education could accommodate a 4/15/2015 public hearing date. No action taken at the meeting.

C. Adjourn

Meghan Bruce moved and Ed Tytor seconded a motion to adjourn at 11:24 AM. Motion passes unanimously.

Respectfully Submitted,
Meghan Bruce
Secretary